GOVERNMENT OF INDIA
URBAN EMPLOYMENT AND POVERTY ALLEVIATION
LOK SABHA

UNSTARRED QUESTION NO:7854
ANSWERED ON:16.05.2000
FUNDS ALLOCATION FORMULA
DALPAT SINGH PARASTE

Will the Minister of URBAN EMPLOYMENT AND POVERTY ALLEVIATION be pleased to state:

(a) whether the Government have decided to continue the existing formula for the allocation of funds for poverty alleviation for the first three years of the Ninth Plan period;

(b) if so, the facts in this regard; and

(c) the details of funds allocation formula for poverty alleviation?

Answer

MINISTER OF URBAN EMPLOYMENT & POVERTY ALLEVIATION (SHRI SUKHDEV SINGH DHINDSA)

(a)to(c): Yes, Sir. The formula for allotcation of funds to States/UTs for the poverty alleviation Scheme is as follows:-

FOR THE STATES (EXCLUDING NORTH EASTERN STATES):

Budget allocation of a State under the Scheme is equal to the total budget allocation for the financial year earmarked for all the States excluding North Eastern States and Union Territories multiplied by the number of urban poor in the concerned State divided by the total numbr of urban poor in the Country (excluding North Eastern States and Union Territories).

FOR THE NORTH EASTERN (NE) STATES:

Budget allocation for the North Eastern States is equal to 10% of the total funds earmarked for all the States for the Scheme for the financial year multiplied by the number of urban of urban poor in the concerned North Eastern State divided by the total number of urban poor in the North Eastern States.

FOR THE UNION TERRITORIES (UTs):

Budget allocation for a Union Territory is equal to the total Budget allocation earmarked for all the Union Territories for the financial year multiplied by the number of urban poor in the concerned Union Territory divided by the total number of urban poor in all the Union Territories.

The number of urban poor is based on the Report of Modified Expert Group, 1993-94, supplied by the Planning Commission.

However, certain basic munimum amount is considered for allocation to the States/Union Territories where the budget allocation as per the formula is too low.